



Egypt's

POSITION AMONG OTHER ARAB PETROLEUM EXPORTING COUNTRIES

By Mahinaz El Baz, Amina Hussein

Egypt is an active member of the Organization of Arab Petroleum Exporting Countries (OAPEC) since 1973. The organization was originally established on January 9, 1968 by Kuwait, Libya and the Kingdom of Saudi Arabia (KSA). The three member countries chose the State of Kuwait for the organizations' domicile and headquarters. OAPEC is considered as a regional inter-governmental organization.

Acknowledging the role of petroleum as a major player in its members' economies, OAPEC is concerned with the development and prosperity of the world petroleum industry by fostering close and fruitful cooperation among its members.

Furthermore, it believes in the importance of building an integrated petroleum industry as a cornerstone for future economic integration amongst Arab countries and contributes to the effective use of the resources of member countries through sponsoring joint ventures, according to OAPEC's official website.

As part of OAPEC, Egypt realized the importance of the crude oil revenues and divided its international trade transactions into oil and non-oil imports and exports.

This report aims to highlight Egypt's contribution in the regional petroleum industry as part of OAPEC. It covers the performance of Egypt's oil industry from 2010-2016 compared to other countries in the organization.

EXPLORATION ACTIVITIES

Egypt is leading oil discoveries in OAPEC, which reflects the importance of its upstream sector. The country comes on the top of oil discoveries in the organization from 2010-2016, with approximately 40 discoveries on average. Algeria comes in the second place with 17 oil discoveries on average.

In 2011, Egypt recorded an extraordinary number of 57 oil discoveries. Moreover, Egypt represented 61% of OAPEC's total oil discoveries on average from 2010-2016.

CRUDE OIL RESERVES

Arab petroleum exporting countries' oil reserves recorded around 713,810.84 million barrels of oil equivalent per year (boe/y) on average from 2010-2016. Egypt represented 0.56% of OAPEC's total crude oil reserves in the same period with an average of 4,007.87 million boe/y. In 2014, Egypt witnessed a significant decrease in oil reserves by 509 million boe/y. The declining trend remained until 2016, but with a slower pace.

On the contrary, OAPEC data shows that KSA is witnessing a steady trend of crude oil reserves, remaining at the top of the crude oil reserves list in OAPEC. Saudi crude oil reserves reached the highest level in 2014 with around 271,376.404 million boe/y and the lowest level of reserves in 2016 with around 269,277.288 million boe/y.

EXPLORATION (OIL DISCOVERY)

COUNTRY	2010	2011	2012	2013	2014	2015	2016
ALGERIA	14	10	8	12	18	10	17
BAHRAIN	0	0	0	0	0	0	0
EGYPT	40	57	57	41	34	26	27
IRAQ	0	2	6	1	1	0	1
KUWAIT	1	1	4	3	6	9	4
LIBYA	20	0	2	4	1	0	0
QATAR	0	0	0	0	0	0	0
SAUDI ARABIA	4	1	1	0	0	0	0
SYRIA	2	3	1	0	0	0	0
TUNISIA	1	4	2	0	1	3	1
UAE	1	0	0	0	0	0	0
OAPEC	83	78	81	61	61	48	50

Source: OAPEC

CRUDE OIL RESERVES (MILLION BARREL OIL EQUIVALENT)

COUNTRY	2010	2011	2012	2013	2014	2015	2016
ALGERIA	12,419.600	12,419.600	12,419.600	12,419.600	12,419.600	12,419.600	12,419.600
BAHRAIN	122.160	122.160	122.160	122.160	122.160	122.160	122.160
EGYPT	4,407.940	4,357.040	4,265.420	4,275.600	3,766.600	3,531.442	3,451.020
IRAQ	144,844.094	143,894.300	145,675.800	145,675.800	145,370.400	144,657.800	151,071.200
KUWAIT	103,327.000	103,327.000	103,327.000	103,327.000	103,327.000	103,327.000	103,327.000
LIBYA	47,944.746	48,878.252	49,344.496	49,234.552	49,295.632	50,407.288	49,233.534
QATAR	25,920.316	25,718.752	25,694.320	25,521.260	25,698.392	25,698.392	25,698.392
SAUDI ARABIA	269,277.288	270,182.290	270,635.300	270,573.202	271,376.404	271,251.190	270,999.744
SYRIA	2,545.000	2,545.000	2,545.000	2,545.000	2,545.000	2,545.000	2,545.000
TUNISIA	432.650	432.650	432.650	432.650	432.650	432.650	432.650
UAE	99,560.400	99,560.400	99,560.400	99,560.400	99,560.400	99,560.400	99,560.400
OAPEC	710,801.194	711,437.444	714,022.146	713,687.224	713,914.238	713,952.922	718,860.700

Source: OAPEC

OIL PRODUCTION

Egypt ranks the eighth oil producer amongst other OAPEC countries with an average of 214.0957 million boe/y from 2010-2016. The African country represented 2.6% of OAPEC'S total oil production during the same period. In 2015, Egypt reached the highest level of oil production with 221,546 million boe/y. However, the production declined by 10.866 million boe/y in 2016.

KSA is the largest oil producer in OAPEC, while the lowest oil production shares come from Tunisia and Syria. KSA is witnessing an increasing oil production trend since 2014, due to geopolitical reasons that are also affecting international oil prices. On the other hand, Syria was not the lowest oil producer in OAPEC until 2012; it was Tunisia. However, Syria's production decreased sharply in 2013 due to political and national security hazards.

OIL CONSUMPTION

Egypt is the second largest oil consumer in OAPEC after KSA. Egypt's crude oil consumption recorded around 293.3644 million boe/y from 2010-2016 on average, representing 14.1% of OAPEC's total oil consumption in the same period.

Egypt's consumption reached the highest level in 2016 with 317.014 million boe/y. Moreover, OAPEC figures show that oil consumption has been significantly increasing in Egypt since 2011, due to economic, political and demographic reasons.

Egypt has exerted strenuous efforts in the previous period to realize major progress in the oil domain, lure foreign investments and strengthen its regional position. As a result, the country recorded 61% of the oil finds of OAPEC member states in the period from 2010-2016. However, the country owns the third lowest oil reserves in OAPEC followed by Syria and Tunisia.

Although Egypt is not amongst the top five oil producers in OAPEC, it is the second biggest oil consumer after KSA.

CRUDE OIL PRODUCTION (MILLION BARREL OIL EQUIVALENT)

COUNTRY	2010	2011	2012	2013	2014	2015	2016
ALGERIA	442.168	431.764	446.999	446.999	443.283	429.906	425.819
BAHRAIN	67.626	70.598	64.282	73.199	75.057	75.057	75.057
EGYPT	208.339	210.309	211.944	215.362	220.490	221.546	210.680
IRAQ	876.534	876.534	1,093.159	1,107.279	1,155.583	1,391.158	1,547.217
KUWAIT	859.114	987.889	1,066.406	1,006.212	1,000.266	1,071.236	1,076.810
LIBYA	555.497	219.041	540.252	369.080	178.365	149.199	144.987
QATAR	272.509	272.732	273.476	269.017	263.443	241.160	216.254
SAUDI ARABIA	3,034.055	3,459.651	3,627.787	3,580.932	3,608.948	3,787.264	3,886.697
SYRIA	143.798	122.618	63.167	11.519	3.716	3.604	2.961
TUNISIA	27.842	23.903	23.518	22.349	18.429	17.501	18.085
UAE	863.529	952.705	985.589	1,039.281	1,038.167	1,110.586	1,147.520
OAPEC	7,351.011	7,627.745	8,396.577	8,141.228	8,005.747	8,498.217	8,752.087

Source: OAPEC

CRUDE OIL CONSUMPTION (MILLION BARREL OIL EQUIVALENT)

COUNTRY	2010	2011	2012	2013	2014	2015	2016
ALGERIA	175.601	170.820	153.406	151.912	151.984	157.494	152.532
BAHRAIN	10.044	9.353	10.207	10.409	10.700	11.150	11.629
EGYPT	272.909	270.428	280.028	298.926	306.343	307.903	317.014
IRAQ	200.284	220.153	236.178	254.086	232.370	231.496	240.626
KUWAIT	123.331	109.079	116.072	124.478	119.961	121.155	119.904
LIBYA	130.865	89.979	92.388	84.705	93.748	80.534	79.199
QATAR	33.700	37.560	41.405	43.484	49.922	57.550	65.407
SAUDI ARABIA	758.121	793.295	834.581	850.284	925.874	984.155	958.857
SYRIA	114.533	108.945	82.536	67.380	53.528	52.325	42.689
TUNISIA	33.260	30.871	32.246	33.425	35.785	37.169	37.340
UAE	118.694	117.483	124.357	155.089	148.304	155.386	159.600
OAPEC	1,971.344	1,957.967	2,003.402	2,074.177	2,128.519	2,196.316	2,184.797

Source: OAPEC